

6110 California Department of Education – Child Development

Program Description	Comments
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CONSENT

6110-196-0001 California Department of Education – Child Development

6110-196-0890; 6110-602-0001; 6110-696-0001; 6110-488; 6110-494

1. May Revision – PARI\$ System, State Operations. (Issue 002)	Approved May Revision (3-0)
2. May Revision – Eliminate Stage 2 Child Care Reserve (Issue 376)	Approved May Revision (3-0)
3. May Revision –Reflect availability of one-time funds (Issues 379 and 385)	Approved May Revision (3-0)
4. May Revision –Reflect availability of one-time federal funds (Issue 384)	Approved May Revision (3-0)
5. May Revision –Reappropriate various unexpended funds for child care (Issues 755, 383 and 386)	Approved May Revision (3-0)

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<p>May Revision Issue (374) – Adjustment of Regional Market Rates</p> <p>The May Revision proposal:</p> <p>(1) Delays child care provider rate increases until January 1, 2009;</p> <p>(2) Caps rates at the 75th percentile of market rates (current law sets caps rates at the 85th percentile);</p> <p>(3) Limits the Regional Market Rate survey to being conducted every two years (rather than annually, as required by current statute);</p> <p>(4) Deletes current statute requiring the California Department of Education to implement regional market rates based on data compiled at the county level rather than aggregated at some other regional level (i.e., zip code level).</p>	<p>All Actions Approved:</p> <p>(1) Adopt Legislative Change to May Revision Letter to further delay implementation of rate increases to March 1, 2009; (3-0)</p> <p>(2) Deny May Revision proposal to cap reimbursement rates at the 75th percentile of market rates; (2-1)</p> <p>(3) Approve May Revision proposal to limit RMR survey to every two years; (3-0)</p> <p>(4) Deny May Revision proposal to eliminate current statute which outlines how Regional Market Rate data is aggregated. (2-1)</p> <p>(5) Conform BBL and TBL to reflect actions (conforming to Assembly) (2-1)</p> <p>(6) Conform action to Item 5180, as necessary. (2-1)</p>
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<p>May Revision Issue (378) – Family Fee Schedule</p> <p>The May Revision proposal:</p> <p>(1) Adjusts the level at which families start paying fees for child care services from current 40 percent of State Median Income (SMI) to 39.3 percent.</p> <p>(2) Is effectuated by the adoptions of Budget Bill Language requiring the California Department of Education to adjust its family fee schedule to ensure that the starting point at which families began paying fees in 2006-07 is the same level at which fees will be assessed in the future.</p> <p>(3) Includes other provisional language requiring that the fee schedule be based upon the current state median income and that specifies that fees be charged for families that are newly eligible (in the current year) at the higher income levels.</p>	<p><u>Staff Recommendation:</u></p> <p>(1) Deny May Revision proposal to reduce threshold at which fees are charged and retain fee threshold at 40 percent of the SMI. Approved (2-1)</p> <p>(2) Adopt provisional and Trailer Bill language to conform to legislative action, per attached. Approved (2-1)</p> <p>(3) Conform actions to Item 5180, as necessary. Approved (2-1)</p>
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6110-602-0001; 6110-488

<p>May Revision Issues (382 and 386) – Caseload Adjustments Stage 2 and Stage 3</p> <p>The May Revision provides an additional \$19.97 million to account for increased cost of care in the CalWORKs Child Care program.</p>	<p><u>Staff Recommendation:</u></p> <p>Adopt May Revision, with Legislative Change to augment by \$16.4 million for Stage 2 Child Care services, per Proposition 98 package. Approved (2-1)</p>
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6110-196-0890

<p>Governor's Budget – Various Changes included in the Governor's Budget <i>Governor's Budget:</i></p> <p>(1) Reduced all non-CalWORKs based child care and development programs, as well as Child Care Quality and supportive services programs (BBRs), by approximately 6.4 percent;</p> <p>(2) Omits funding for Cost-of-Living-Adjustments (COLA)</p> <p>(3) Freezes the income threshold (SMI) above which families are not eligible to participate in state-subsidized child care and development programs;</p> <p>(4) Reduces the maximum amount provided to Alternative Payment programs for administrative and support services from 20 percent of the contract amount to approximately 19 percent.</p>	<p><u>Staff Recommendation:</u> All Approved (2-1)</p> <p>(1) Deny BBR's, per Proposition 98 Package.</p> <p>(2) Provide partial COLA, per Proposition 98 Package</p> <p>(3) Approve SMI freeze, as Budgeted</p> <p>(4) Adopt Alternative Trailer Bill Language to ensure providers receive their administrative and supportive services allowance "upfront" rather than throughout the year, per attached.</p> <p>(5) Adopt revised child care "quality" provisional language, per attached.</p>
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6110-600-0001 California Department of Education – After School Program

<p>Governor's Budget – Proposition 49 Proposal</p> <p>The Administration proposes statutory (Trailer Bill) language, which would be placed on the ballot, to reduce the amount of funding available for After School (Proposition 49) programs in those years when the minimum funding guarantee for K-12 education (Proposition 98) is also suspended. In anticipation that this measure passing, the Administration "scores" \$59.6million in Proposition 98 savings.</p>	<p><u>Staff Recommendation:</u> Approved (3-0)</p> <p>(1) Approve as Budgeted, Proposition 49 savings derived from Administration's proposal to the suspension of Proposition 49.</p> <p>(2) Adopt <i>alternative</i> Trailer Bill Language, allowing for the suspension of Proposition 49, contingent upon funding levels in Proposition 98 being driven by "Test 3" rather than the Administration's original proposal (per attached.)</p>
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